

FUNCTIONS OF THE ERC DEPARTMENTS

Approved by the ERC Resolution No. 26
Dated 28 September, 1999
In the City of Yerevan

DEPARTMENT OF FINANCIAL AND ECONOMIC ANALYSIS

Primary Functions

- Development, employment and periodic improvement of the forms of financial and economic reports and information submitted to the Energy Regulatory Commission by Licensees, based on the International Accounting Standards (IAS);
- Development, employment and periodic improvement of the procedures and methodological instructions to fill out the forms of financial economic reports and information, and submit such information;
- Development, employment and periodic improvement of methodological instructions and procedures for the analysis of the financial and economic reports and information;
- Acceptance and analysis of financial and economic reports and information from the companies, summarization of results of the analysis (on a quarterly basis) and submission of comments and recommendations for consideration of the ERC sessions;
- Financial and economic supervision over the observation of the License provision and contractual obligations;
- Submission of recommendations regarding the process of financial and technical audits of the companies for consideration of the ERC sessions;
- Participation in the analysis of the Applications for Tariff Setting (Revision);
- Participation in the developments of the forms and terms of the Licenses;
- Participation in the analysis of the Applications for Licenses;
- Participation in the development of the Commission's Activity Reports and Programs;
- Participation in the development of documents regulating the contractual relationships between the Customers and Licensees;

- Participation in the analysis of the contracts and agreements signed between various companies and subject to registration with the Commission;
- Participation in the review of the Customers' inquiries and complaints and settlement of disputes between various companies;
- Participation in the creation of the database of equipment, materials, energy fuels, operations, market pricing of services, loan interests, currency exchange rates and other data;
- Participation in the development of the ERC budget;
- On a quarterly basis, analysis of the current activities of budget implementation and forwarding for the Chairman's review;
- Discussion of the laws and other legal acts developed by Government bodies and other organizations and submission of comments and recommendations.

DEPARTMENT OF TARIFF POLICIES

Primary Functions

- Development, employment and periodic improvement of tariff calculation methodologies and methods;
- Development, employment and periodic improvement of Procedures and other mandatory documents originating from the tariff calculation methods and methodologies, including:
 - a) contents and structure of costs;
 - b) profit base;
 - c) depreciation;
- Admission and analysis of the Applications for Tariff Setting (Revision) from companies;
- Technical analysis of the Applications for Tariff Setting (Revision);
- Summarization of the results of the analysis of the Applications for Tariff Setting (Revision) and submission of comments and recommendations for the ERC session;
- Organization of activities aimed at the development of the Commission's Work Program and presentation of a summarized document at the ERC session;
- Tariff forecast based on the structural reforms in the sector, the process of privatization, the prospects of the sector development and so on;
- Balance forecast for electricity and energy resources;
- Forecasts of the electricity generation structure;
- Organization of activities for the creation of the data base of equipment, materials, energy fuels, operations, market pricing of services, loan interests, currency exchange rates and other data;
- Participation in the development of documents regulating the contractual relationships between the Customers and Licensees;
- Participation in the developments of the forms and terms of the Licenses;
- Participation in the analysis of Applications for Licenses;
- Participation in the review of the Customers' inquiries and complaints and settlement of disputes between various companies;

- Participation in development of forms of financial and economic reports;
- Participation in the analysis of financial and economic reports;
- Discussion of laws and other legal acts developed by Government bodies and other organizations and submission of comments and recommendations.

LEGAL AND LICENSING DEPARTMENT

Primary Functions

- Development of recommendations of improving the legislative and other legal documents (new statutes and legal acts, drafts of amendments to acting legislation) regulating the energy sector;
- Development and improvement on a regular basis of the forms and terms of the Operation Licenses and legal documents regulating the process of licensing, forwarding corresponding recommendations for the Commission's review;
- Admission of Applications for Licenses, organization and summarization of their analysis;
- Summarization of the comments on the Applications for Licenses, development of necessary documents and forwarding corresponding recommendations for the Commission's review;
- Recording, registration and issuance of Licenses;
- Organization of monitoring operations over the observance of the License terms and provisions, review of results and forwarding of corresponding recommendations for the Commission's review;
- Organization of introduction of amendments and supplements in licenses and forwarding of corresponding recommendations for the Commission's review;
- Development, periodic improvement and summarization of legal documents (model contracts, procedures, etc.) regulating the contractual relationships between the Customers and Licensees;
- Organization of discussions of the disputes arisen between various companies and forwarding of recommendations;
- Organization of analysis of the contracts and agreements signed between various companies and subject to registration with the ERC, and summarization of the results;
- Maintenance of the Registration Log of legal acts and documents (including contracts and licenses);
- Organization of the development and summarization of internal procedural documents for the Commission;

- Formation and maintenance of a data base of legal acts and documents;
- Legal services for the Commission;
- Legal analysis of the contracts and agreements signed by the Commission and submission of results to the chairman;
- Handling of cases filed by economic entities;
- Participation in the discussion of complaints and inquiries from the Customers;
- Participation in the development of the ERC Activity Reports and Operation Programs;
- Discussion of laws and other legal acts developed by Government bodies and other organizations and submission of comments and recommendations.

SECRETARY'S OFFICE

Primary Functions

- Organization of operations with the mass media, public and political organizations and the public;
- Publicizing of the Commission's current and projected activities in the mass media and by means of organizing meetings and discussions with various organizations;
- Organization of activities aimed at the development of the ERC Activity Reports and presentation of a summary document for the Commission's review;
- Organization of discussions on customer complaints and inquiries, and summary of the results;
- Organization of sessions and meetings;
- Supervision of the implementation of documents.

ADMINISTRATION OFFICE

Primary Responsibilities

- Service of the ERC activities;
- Personal records;
- Property records and procurements;
- Service of the computer network;
- Publication and copying;
- Organization of circulation and conservation of incoming and outgoing documents;
- Organization of archive and record-keeping;
- Transportation services;
- Property operation and maintenance;
- Organization and operation of professional library.